Press release

Lenzing improves profitability in the first nine months of 2026

- Revenue in the first nine months of 2026 amounted to EUR 1.93 bn (previous year: EUR 1.97 bn)
- Adjusted EBITDA remained stable at EUR 353 mn; adjusted EBITDA margin improved to 18.3 percent (previous year: 17.9 percent)
- EBITDA of EUR 316.4 mn impacted by one-off restructuring effects of EUR 36.6 mn

Lenzing, November 5, 2026 – The Lenzing Group generated revenue of EUR 1.93 bn and adjusted earnings before interest, tax, depreciation and amortization (adjusted EBITDA) of EUR 353 mn in the first nine months of 2026, despite a persistently volatile market environment characterized by geopolitical tensions, including the conflict in Iran, trade policy uncertainties related to tariffs, and continued elevated energy and chemical costs.

The strategy “Grow Nonwovens. Reset Textiles.”, adopted in July, places a clear focus on the profitability of the fiber product portfolio. Despite an expected decline in revenue resulting from the targeted reduction of standard fiber capacities, adjusted EBITDA was maintained at the level of the prior-year period. At the same time, the adjusted EBITDA margin improved from 17.9 percent to 18.3 percent. Progress was particularly evident in the third quarter: compared with Q3 2025, the adjusted EBITDA margin increased by 4.0 percentage points, from 13.3 percent to 17.3 percent. This margin development highlights the increasing operational earnings strength and confirms the effectiveness of the profitability measures implemented.

“The third quarter of 2026 marks an important milestone in the repositioning of the Lenzing Group. Our focus is now on the consistent execution of our new strategy. The stable earnings development and improved margin demonstrate that our measures are delivering results. Under the strategic priorities “Grow Nonwovens. Reset Textiles.”, we are driving our transformation forward and will take further significant steps by year-end to optimize our product portfolio and production network,” says Georg Kasperkovitz, CEO of the Lenzing Group.

Earnings performance in the first nine months of 2026

Revenue of the Lenzing Group declined by 2.3 percent to EUR 1.93 bn in the first three quarters of 2026 (previous year: EUR 1,972.0 mn). This development was primarily driven by lower sales volumes resulting from the targeted reduction of standard fiber production as well as lower pulp prices.

Adjusted EBITDA amounted to EUR 353 mn, remaining virtually unchanged from the prior-year level (EUR 352.7 mn). The adjusted EBITDA margin increased to 18.3 percent, compared with 17.9 percent in the prior-year period.

EBITDA decreased by 7 percent to EUR 316.4 mn (previous year: EUR 340.4 mn) and was burdened by EUR 36.6 mn (previous year: EUR 12.3 mn) of restructuring-related effects associated with the ongoing strategic transformation. The EBITDA margin amounted to 16.4 percent (previous year: 17.3 percent).

Operating result (EBIT) amounted to EUR -55.1 mn (previous year: EUR 20.6 mn) and was significantly impacted by non-cash impairment charges of EUR 136.1 mn[1] on long-term assets at the Heiligenkreuz and Grimsby production sites (previous year: EUR 82 mn on long-term assets in Indonesia). These impairment charges have no impact on EBITDA. Earnings before tax (EBT) amounted to EUR -126.9 mn (previous year: EUR -98.7 mn), while earnings after tax totaled EUR -130.3 mn (previous year: EUR -105.0 mn). Adjusted for impairment charges and restructuring effects, earnings after tax reached EUR 42.4 mn (previous year: EUR -10.8 mn).

Capital expenditure (CAPEX) for intangible assets, property, plant and equipment, and biological assets amounted to EUR 97.0 mn (previous year: EUR 93.2 mn). Major investments were made at the Lenzing site, including a new wood processing facility and a project to improve water supply.

Strategic transformation consistently implemented

Under the priorities “Grow Nonwovens. Reset Textiles.”, Lenzing is realigning its business and production portfolio. Key focus areas include profitable organic growth in the nonwovens business, a stronger concentration of the textiles business on differentiated premium and specialty applications, and the further strengthening of the pulp and biorefinery business. At the same time, Lenzing is gradually withdrawing from low-margin standard fiber segments and high-cost production sites.

Another key lever is the focused performance program. Building on cost savings of more than EUR 200 mn achieved in 2025, Lenzing aims to realize an additional EUR 120 mn in savings compared with the 2025 baseline. The full earnings impact is expected by the end of 2027.

This includes annual personnel cost savings of EUR 45 mn resulting from the reduction of approximately 600 positions, mainly in administrative functions. As of 30 September 2026, employment relationships corresponding to more than 260 full-time equivalents had already been legally terminated, generating annualized savings of EUR 27 mn. Furthermore, savings of EUR 35 mn are targeted through energy and operating expense (OPEX) optimization measures. Additional personnel savings are planned as part of the optimization of the production network as well as non-personnel savings through administrative cost reductions.
As part of the optimization of its global production network, Lenzing is continuing the previously communicated sales process for its Indonesian fiber production site. In parallel, production at Heiligenkreuz is planned to cease

[1] Amount subject to audit by the external auditor

by the end of the first quarter of 2027, while production at Grimsby is scheduled to end by the close of 2027. The company is currently evaluating value-maximizing options for the sale of these assets and has formally notified the Austrian Public Employment Service (AMS) of the planned workforce reduction at the Heiligenkreuz site.

With the successful completion of a capital increase of approximately EUR 300 mn in October 2026 and new financing agreements totaling a further EUR 300 mn, around half of which have already been contractually secured, Lenzing has made significant progress in strengthening its financial structure. Full implementation of these measures is expected by year-end 2026 and will provide additional financial flexibility to support the ongoing strategic transformation.

Outlook

The Lenzing Group will continue to consistently advance its strategic transformation under the priorities “Grow Nonwovens. Reset Textiles.” throughout the remainder of the 2026 business year and beyond. Lenzing intends to significantly expand its nonwovens business, defend its leading position as an innovative producer of textile fibers, and increasingly replace fossil-based materials with wood-based fiber solutions.

Planned initiatives include capacity conversions from textile fibers to nonwoven fibers, portfolio expansion particularly in hygiene and filtration applications, as well as the development and commercialization of new fibers. In the textiles business, the focus will remain on differentiated premium segments, specialty solutions and strategic customer partnerships, while the withdrawal from low-margin standard fibers continues.
Innovative fiber technologies and platforms such as TreeToTextile technology and LENZING™ Nonwoven Technology are expected to support growth across both business segments. In addition, Lenzing will continue to strengthen its pulp business.

For the full-year 2026, Lenzing expects adjusted EBITDA[1] to be above the prior year level (adj. EBITDA 2025: EUR 425.6 mn) and range between EUR 430 mn and EUR 460 mn. Over the medium term, Lenzing remains committed to its targets of returning to revenue growth, increasing EBITDA by EUR 150 mn, achieving an EBITDA margin of 20 to 25 percent, and reducing leverage to below 2.5x. The actual business performance may diverge from current expectations depending on geopolitical and economic factors as well as the cyclical nature of the industry. Any assessment of economic development is therefore subject to forecasting risks

[1] Reported EBITDA adjusted for effects of restructuring measures

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Selected indicators of the Lenzing Group EUR mn	01-09/2026	01-09/2025
Revenue	1,926.3	1,972.0
EBITDA (earnings before interest, tax, depreciation and amortization)	316.4	340.4
EBITDA margin	16.4 %	17.3 %
Adjusted EBITDA	353.0	352.7
Adjusted EBITDA margin	18.3 %	17.9 %
Earnings after tax	-130.3	-105.0
Earnings per share in EUR	-4.73	-4.38
Cash flow from operating activities	206.2	284.6
Free cash flow	24.7	110.9
CAPEX	97.0	93.2

	30/09/2026	31/12/2025
Net financial debt	1,418.9	1,350.1
Adjusted equity ratio	26.6%	29.6 %
Employees (full-time equivalents)	7,374	7,738

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About the Lenzing Group

The Lenzing Group is an internationally operating company that develops and manufactures wood-based product solutions for the textile and nonwovens industries. As one of the few companies worldwide, Lenzing combines the production of cellulose fibers and filaments, as well as dissolving wood pulp and biorefinery products, under one roof, thereby covering key stages of the production process in-house. Lenzing's wood-based specialty fibers and filaments are developed to meet demanding and highly specialized customer requirements and applications and are used in a wide range of end products, including apparel, home textiles, hygiene products, as well as medical and industrial applications. They are marketed under the TENCEL™, LENZING™ ECOVERO™, VEOCEL™, and LENZING™ product brands.

More information on www.lenzing.com

Key Facts & Figures Lenzing Group 2025
Revenue: EUR 2.60 bn
Nominal capacity (fibers): 1,110,000 tonnes
Employees (full-time equivalents): 7,738

TENCEL™, LENZING™ ECOVERO™, VEOCEL™, LENZING™, and REFIBRA™ are trademarks of Lenzing AG.

Disclaimer: The above financial indicators are derived primarily from the condensed consolidated interim financial statements and the consolidated financial statements of the previous year of the Lenzing Group. Additional details are provided in "Notes on the Financial Performance Indicators of the Lenzing Group", available at the following link https://www.lenzing.com/investors/reporting-and-capital-market-update/, as well as in the condensed consolidated interim financial statements and in the Lenzing Group's prior-year consolidated financial statements. Rounding differences can occur in the presentation of rounded amounts and percentage rates.